

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS  
SPECIAL/EXECUTIVE MEETING HELD ON  
Tuesday, May 19, 2015**

A special meeting of the Cochise County Board of Supervisors was held on Tuesday, May 19, 2015 1:30 p.m. in the Board of Supervisors' Executive Conference Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Patrick G. Call, Chairman; Ann English, Vice-Chairman; Richard R. Searle, Member

Staff Present: Michael J. Ortega, County Administrator Emeritus

Jim Vlahovich, County Administrator

Britt W. Hanson, Chief Civil Deputy County Attorney

Arlethe G. Rios, Clerk of the Board

Chairman Call called the meeting to order at 1:30 p.m.

**ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION**

**PLEDGE OF ALLEGIANCE**

**THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING**

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***ACTION***

**Board of Supervisors**

*This executive session is authorized under A.R.S. § 38-431.03, Subsection (A), paragraph 3.*

1. Discussion and Possible Action Regarding SB1476, which shifts State Aid to Education to Counties and Other Local Government, and possibly joining Pima County in a lawsuit against the State.

Mr. Hanson suggested that the discussion begin in open session.

Chairman Call asked everyone to introduce themselves.

Mr. Hanson gave a brief background on Senate Bill 1476, which is the State shift of tax burdens back to the counties. He said that this senate bill involved State aid to education, passed by legislature without a good understanding. He stated that it delegated tax formula to property tax oversight commission and that due to this change, which came from the State historically was being shifted to local jurisdictions – and no one knew how much the impact would be. He noted that Pima County was going to be impacted greatly and was filing a law suit against the State. He added that the County had entered in a common interest agreement with Pima County.

Dan Bogert, CSA policy analyst, presented information using a PowerPoint presentation and went over California's proposition 13, history of property tax, and the 1% Cap overview before 2016. He went over the calculations and used an example. He went over the

executive proposal to shift this cost to the counties who are over \$1,000,000 and based on the jurisdiction's share of the total tax rate.

Supervisor Searle said that many school boards do not worry about tax rates because they know the State will pick it up the difference.

Mr. Bogert said that the changes would take place after all jurisdictions have set their tax rate, probably during the fall of 2015. He added that there was no indication of how much the counties would be impacted, but a bill would be send from the Department of Revenue once the commission ruled.

Mr. Hanson summarized the main points and said the calculation would take all the liability for Kindergarten through 12<sup>th</sup> grade and decide of the County as a whole was over the \$1,000,000 cap. He also noted that the County would only be obligated to those school districts in the County.

Mr. Bogert said that he had done some preliminary calculations and he estimated a \$797,000 cost for Cochise County.

Mr. Hanson said that this was of concern because this legislation was permanent.

Ms. Nassen said that subsection K of the legislative proposal stated that the cap for this year was going to be up to \$1,000,000, but the cap could change each year by legislative action.

Mr. Hanson recommended that the rest of the discussion should be done in executive session.

Vice-Chairman English moved to go into executive session, Supervisor Searle seconded the motion and the Board went into executive session at 2:09 p.m.

The Board reconvened in open session at 2:46 p.m.

The Board directed staff to move forward as discussed in executive session.

Chairman Call adjourned the meeting at 2:47 p.m.

APPROVED:

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Patrick G. Call, Chairman

ATTEST:

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Arlenthe G. Rios, Clerk of the Board